

## **Dodge County External Audit Review Oversight Committee Minutes**

October 28, 2019 – 10:00 a.m.

First Floor – Rooms H & I

Administration Building, Juneau, WI

### **Call to Order:**

The meeting was called to order at 10:00 a.m. by Joe Marsik.

### **Roll Call:**

Members present: Russell Kottke, David Frohling, Joe Marsik, Dan Hilbert and MaryAnn Miller.

Also present were: Shelby J. Miller, Chief Deputy County Clerk, Sheriff Schmidt, Scott Mittelstadt, Chief Deputy, Kimberly Nass, Corporation Counsel, Dave Ehlinger, Finance Director, Administrator James Mielke and County Supervisor Donna Maly.

### **Approval of Minutes:**

A motion was made by Frohling, second by Hilbert to approve the minutes of the October 14, 2019 meeting as presented. Motion carried.

### **Discuss Sheriff's Office Operational Review:**

#### **Review and Discuss Jail Costing:**

1. **Redefine direct/indirect/countywide costs – make sure costs are not duplicated** – Ehlinger explained that these indirect costs used to be calculated by the Finance Department staff. For 2019 the County had contracted with Sequoia. Unfortunately, Sequoia has ceased operations and thus the County has recently contracted with Diversified to calculate these indirect costs. The November 5, 2019 Finance Committee agenda will begin the discussion on indirect costs allocations directly into the general ledger for future budget cycles. Ehlinger asked if all costs associated with claims should be costs directly to the department as they currently only do that for departments that can recoup the costs. Marsik asked if ERP will help with the indirect costs being allocated and Ehlinger responded that it will but it will always be behind as there is a lag time of 2 years. Hilbert asked if there are currently any departments that have indirect costs allocated to their budgets and Ehlinger said that Child Support and the Human Services and Health Department take them into account even though not included in their budget. Ehlinger also informed the Committee that most departments will not have the capability of recouping these indirect costs.
2. **Have all cost incurred by Sheriff's Office billed to that department as is done in Highway –** Ehlinger commented that he would like to start looking at doing this. Kottke asked if the maintenance department costs for keeping up with the maintenance in the jail would be charged directly to the jail and Ehlinger said yes, the Sheriff's Office budget would go up and the Maintenance Department's budget would do down. Sheriff Schmidt asked if he would be approving the Maintenance Department budget in his Sheriff's Office Budget and Ehlinger answered yes but that the money would be allocated for maintenance costs. Sheriff Schmidt said that any elected official could spend their budget how they see fit and it is their budget to spend, so just wanted to bring that up for their awareness before going forward with having all indirect costs charged directly to each department. Ehlinger advised that there is a lag time of 2 years on the indirect costs and that the indirect costs incurred in 2018 would be charged to the department in 2020.
3. **Semi-annual analysis of inmate costs, which be simpler due to item #2 above** – With the ERP being implemented, reports should be able to be ran to help assist with this and if contracts are entered into ERP, the ERP system should show if there is any money left after being paid.

## **Dodge County External Audit Review Oversight Committee Minutes**

October 28, 2019 – 10:00 a.m.

First Floor – Rooms H & I

Administration Building, Juneau, WI

Page 2 of 3

Mittelstadt and Ehlinger to work on comp time accruals each month and have Finance do a journal entry monthly.

4. **Direct appropriate costs to each class of inmates** – Huber costs – use average daily count.
5. **If #2 above is implemented countywide costs to Sheriff's Office from minimal use departments (Finance, IT, HR, Corp Counsel, etc.)** – Already defined in #1 above.
6. **Document support cost provide by the Sheriff to the jail** – currently calculated by jail population as the time fluctuates each year as time spent varies due to projects going on.
7. **Change cost to depreciation schedule from percentage** – Ehlinger indicated that the Sheriff's Department wouldn't see depreciation expenses and wouldn't see a real need for it or any advantage to it. Marsik asked if there was an estimated 20 year life span on a new roof, is money put in an account each year for depreciation on the roof? Ehlinger answered, no.
8. **Calculate transportation costs for ICE inmates and compare to reimbursement** – Sheriff Schmidt advised that these costs could not be broken down easily due to the tracking in Kronos. If full-time staff is doing these transports, the time in Kronos is just tracked as over time and does not document what the over time was for. Sheriff Schmidt advised that having REDI do transports did not make sense.

### **Review and Discuss Supplemental Materials Received From Matrix:**

Nass explained that after the Matrix report was presented in August, 2019, a list was formed by the Executive Committee of items that they were not satisfied with in the report. Matrix replied to this list with supplying three documents:

- CLARIFICATION REGARDING STATE/COUNTY/LOCAL INMATES – INMATE PER DAY CALCULATION
- JAIL COSTS COMPARISON SPREADSHEET W/OTHER COUNTY JAILS
- VERY LARGE SPREADSHEET (that will be provided at a later date)

Nass also explained that she is expecting to receive additional supplemental materials from Matrix regarding 12 hour shifts for patrol and jail staff in the next few weeks and that all of the supplemental information would be provided to the Executive Committee, External Audi Review Oversight Committee Chair and all County Board Supervisors.

The Committee, together, with Sheriff Schmidt and Mittelstadt, discussed the State/County/Local Inmates – Inmate per day calculation submitted by Matrix in their supplemental materials. Marsik does not believe the dollar amount is accurate as Federal inmates have costs associated with them. Bottom line is, there is a net positive dollar amount for Federal inmates.

Sheriff Schmidt updated the Committee on the staffing at Court Security. He checked with Sarah Hinze, Human Resources Director, regarding increasing the pool of part-time, under 20 hours per week, Court Security staff and she said this could be addressed at the next Human Resources and Labor Negotiations Committee meeting and does not need County Board approval. The Sheriff's Office currently has 3 different pools of staffing: Court Security, Jail Transport Officers and Community Service Officers. There is a certain dollar amount budgeted for each of these pools of Officers and no matter how many staff are in the pool, that pool dollar amount stays the same.

## Dodge County External Audit Review Oversight Committee Minutes

October 28, 2019 – 10:00 a.m.

First Floor – Rooms H & I

Administration Building, Juneau, WI

Page 3 of 3

The Committee summarized this meeting as follows:

1. <b>Redefine direct/indirect/countywide costs – make sure costs are not duplicated</b>	Will be a work in progress – estimated to have the process in place in 12-18 months and will be an ongoing recalculation annually. Have consultant come to future Finance Committee Meeting.
2. <b>Have all costs incurred by Sheriff's Office billed to that department as is done in Highway</b>	Part of indirect cost plan. Recommend indirect costs are done consistently with all County Departments.
3. <b>Semi-annual analysis of inmate costs, which be simpler due to item #2 above</b>	To be done at Judicial and Public Protection Committee meetings.
4. <b>Direct appropriate costs to each class of inmates</b>	Huber Costs – use average daily count.
5. <b>If #2 above is implemented countywide costs to Sheriff's Office from minimal use departments (Finance, IT, HR, Corp Counsel, etc.)</b>	Already defined in #1 above.
6. <b>Document support cost provide by the Sheriff to the jail</b>	Percentage basis by population.
7. <b>Change cost to depreciation schedule from percentage</b>	Show depreciation schedule. Negotiations should be based upon straight line depreciations as opposed to percentage. Ehlinger to check with consultant on how the indirect depreciation cost plan handles depreciation.
8. <b>Calculate transportation costs for ICE inmates and compare to reimbursement</b>	Continue to use part-time transportation staff as much as possible as full-time staff transport time is more difficult to calculate as Kronos does not document what over time is for.

### Determine Future Meeting Schedule

Next meeting is scheduled for **Monday, November 11, 2019, at 10:00 a.m.** in Rooms 1H & 1I.

Future meetings will be held on the 2<sup>nd</sup> and 4<sup>th</sup> Mondays of the month at 10:00 a.m. in Rooms 1H & 1I.

**Adjourn:** With no further business on the agenda, Chair Marsik declared the meeting adjourned at 11:17 a.m.

\_\_\_\_\_, Russell Kottke, Secretary